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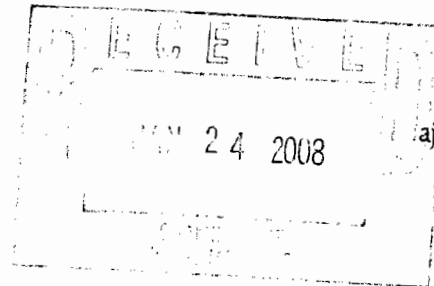
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January 24, 2008

By Fax: (212) 805-6382

The Honorable Victor Marrero
United States District Judge
United States District Court for the
Southern District of New York
500 Pearl Street, Room 660
New York, NY 10007



Re: Baraliu v. Vinya Capital, L.P. and Michael deSa
SDNY No. 07CV04626 (VM)

Dear Judge Marrero:

In response to your ORDER of January 22, 2008, on behalf of the Plaintiff, I wish to inform the Court of the status of this matter.

Following receipt of the Court's Order, I attempted, on several occasions, to contact Defendants' Counsel in order to submit a joint status report to the Court. Defense Counsel, Morlan Ty Rogers, Esq. is on trial, out of town, and was unavailable to speak to me. When he returns, we will submit a joint status report.

In the interim, the following summarizes recent activities in this Matter:

On November 15, 2007 Defendants' Counsel filed an Answer and Counterclaims to the Plaintiff's Amended Complaint.

On December 6, 2007 Plaintiff's Counsel served Plaintiff's Answer and Defenses to Defendant's Counterclaims on Defendants' Counsel. (A courtesy copy is being sent to the Court under separate cover) In addition, Plaintiff's Counsel wishes to inform the Court that he is unable to access the ECF function of the Court to electronically file this pleading, following his admission on motion, and is working with the Clerk's Office to resolve this.

On December 18, 2007, Counsel for all parties conferred and discussed the liquidation of certain non-party entities, hedge funds which were the sole source of defendant Vinya Capital L.P.'s income.

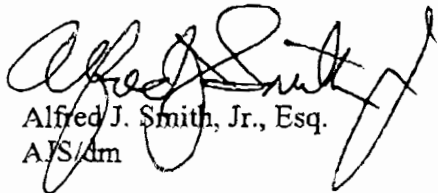
On December 26, 2007, Plaintiff's Counsel requested dates to depose Defendant, Michael deSa.

When Defendants' Counsel returns from his out-of-town trial we will confer, prepare a status report for the Court, as well as submit our 26(f) report.

It is certainly Plaintiff's intention to pursue his claims to a settlement or trial of these matters.

Please contact my office if you have any questions or require further information.


Very truly yours,



Alfred J. Smith, Jr., Esq.

AJS/am

Fax to: Morlan Ty Rogers, Esq. Fax: (212) 763-6810

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| <i>The Court acknowledged receipt of Plaintiff's response to the Court's Order dated 1-22-08 requesting a status report on this action.</i> | |
| SO ORDERED: | |
| <i>1-24-08</i> |  |
| DATE | VICTOR MARRERO, U.S.D.J. |